BEFORE THE
POSTAL RATE COMMISSION

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INTERROGATORIES FROM UNITED PARCEL SERVICE TO UNITED STATES POSTAL SERVICE WITNESS CRUM (UPS/USPS-T28-42 through 46)

(January 14, 1998)

Pursuant to the Commission's Rules of Practice, United Parcel Service

hereby serves the following interrogatories and requests for production of documents

directed to United States Postal Service witness Crum (UPS/USPS-T28-42 through 46).

Respectfully submitted,

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INTERROGATORIES FROM UNITED PARCEL SERVICE
TO UNITED STATES POSTAL SERVICE WITNESS CRUM

UPS/USPS-T28-42. Refer to Exhibit D of Library Reference H-327, which contains the derivation of Parcel Post worksharing discounts under Order No. 1203.

(a) Confirm that the "Origin SCF Load" costs for nonpresorted machinable Parcel Post are $.067 per piece. If not confirmed, explain.

(b) Confirm that the "Origin SCF Load" costs of $.067 per piece do not include bedloading activities at the SCF. If not confirmed, explain.

(c) Confirm that, in Exhibit D in USPS-T-28, "Origin SCF Load" costs were $0.050 per piece. If not confirmed, explain.

(d) Confirm that, in Exhibit D in USPS-T-28, "Origin SCF Load" costs included bedloading costs at the SCF. If not confirmed, explain.

(e) Confirm that bedloading costs at the SCF should be included in "Original SCF Load" costs in Exhibit D of Library Reference H-327. If not confirmed, explain.

(f) Confirm that including bedloading costs at the SCF would increase the "Original SCF Load" costs for nonpresorted machinable Parcel Post from $0.067 per piece to $0.087 per piece in Exhibit D of Library Reference H-327. If not confirmed, explain.

UPS/USPS-T28-43. Refer to pages 1 and 2 of Exhibit G in Library Reference H-327.

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(a) (i) Confirm that the platform non-BMC piggyback factor on pages 1 and 2 of Exhibit G is 1.844. If not confirmed, explain.

(ii) Confirm that the platform non-BMC piggyback factor found in Library Reference H-318 is 1.719. If not confirmed, explain.

(iii) Please explain any differences between the two piggyback factor figures referred to in (a) (i) and (a) (ii) above.

(b) (i) Confirm that in the nonmachinable section, the piggyback factor used to calculate the cost of manual sorting at the Destination SCF is 1.54. If not confirmed, explain.

(ii) Confirm that the manual sorting at the Destination SCF factor found in Library Reference H-318 is 1.490. If not confirmed, explain.

(iii) Please explain any differences between the two piggyback factor figures referred to in (b) (i) and (b) (ii) above.

(c) (i) Confirm that, on page 2 of Exhibit G, the productivity used to calculate the costs of the activity "Unload Bedload Sacks" at the DSCF for machinable Parcel Post is 275.1. If not confirmed, explain.

(ii) Refer to page 3 of Appendix V in Library Reference H-326. Confirm that the productivity used to calculate the costs of the activity "Unload Bedload Sacks" at the DSCF for machinable Parcel Post is 145.8. If not confirmed, explain.

(iii) Please explain any difference between the two "Unload Bedload Sacks" productivities referred to in (c) (i) and (c) (ii) above.

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UPS/USPS-T28-44. Refer to Exhibit J of Library Reference H-327.

(a)   (i) Confirm that the piggyback factors in column 4 are from LR-H-77. If not confirmed, explain.

(ii) Confirm that these piggyback factors should be updated to reflect those found in Library Reference H-318. If not confirmed, explain.

(b)   Refer to Library Reference H-327, Exhibit J, column 2 on page 1.

(i) Confirm that the productivity used to calculate the costs of the load gaylord activity at the OBMC is 11.6. If not confirmed, explain.

(ii) Confirm that the productivity used to calculate the costs of the unload gaylord activity at the DBMC is 12.7. If not confirmed, explain.

(iii) Please confirm that the productivity for the load gaylord activity should be 12.7 and the productivity for the unload gaylord activity should be 11.6. If not confirmed, explain.

(c)   Refer to Library Reference H-327, Exhibit J, column 2 on page 2.

(i) Confirm that the productivity for crossdocking pallets at the OBMC is 6.3. If not confirmed, explain.

(ii) Confirm that the productivity for crossdocking pallets in Library Reference H-326, page 15 of Appendix V is 6.7. If not confirmed, explain.

(iii) Please explain any differences between the productivities for crossdocking pallets referred to in (c) (i) and (c) (ii) above.

INTERROGATORIES FROM UNITED PARCEL SERVICE
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UPS/USPS-T28-45. Refer to Library References H-315, H-323 and H-327.

(a)   Confirm that Library Reference H-323 is the source of the 1996 outgoing mail processing costs avoided by DBMC Parcel Post used in Exhibit C in H-327. If not confirmed, explain.

(b)   Confirm that in Library Reference H-323, Table 1, column 10 reports the variable mail processing costs for Parcel Post by cost pool. If not confirmed, explain.

(c)   Please explain the source of the numbers found in Library Reference H-323, Table 1, column 10.

(d)   Confirm that the numbers found in LR-H-323 include a premium pay adjustment. If not confirmed, explain.

(e)   Confirm that the numbers found in LR-H-323 include Alexandrovich Workpaper B worksheet adjustments. If not confirmed, please explain.

(f)   (i) Refer to Library Reference H-323, Table H, column 10, line 18. Confirm that the costs for this pool, MODS LD43, are $22,000. If not confirmed, explain.

(ii) Confirm that in Library Reference H-315, the unadjusted costs for this same pool, MODS LD43, are $11,706,000. If not confirmed, explain.

(iii) Please explain the difference between the numbers referred to in (f) (i) and (f) (ii) above.

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(g)   (i) Refer to Library Reference H-323, Table H, column 10, line 22. Confirm that the costs for this pool, MODS LD48_SSv, are $1,626,000. If not confirmed, explain.

(ii) Confirm that in H-315, the unadjusted costs for this same pool, MODS LD48_SSv, are $164,610. If not confirmed, explain.

(iii) Please explain the difference between the numbers referred to in (g) (i) and (g) (ii) above.

(h)   (i) Refer to Library Reference H-323, Table H, column 10, line 39. Confirm that the costs for this pool, MODS 1SUPPORT, are $11,865,000. If not confirmed, explain.

(ii) Confirm that in H-315, the unadjusted costs for this same pool, MODS 1SUPPORT, are $668,300. If not confirmed, explain.

(iii) Please explain the difference between the numbers referred to in (h) (i) and (h) (ii) above.

(i)   (i) Refer to Library Reference H-323, Table H, column 10, line 45. Confirm that the costs for this pool, BMCs Pla, are $284,000.

(ii) Confirm that in H-315, the unadjusted costs for this same pool, BMCs Pla, are $37,872,000. If not confirmed, explain.

(iii) Please explain the difference between the numbers referred to in (i) (i) and (i) (ii) above . If not confirmed, explain.

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(j)   Refer to Library Reference H-323. Confirm that the costs for the

pool "LD48 Adm" are not included in Table H, column 10. If not confirmed, please

explain. If confirmed, please explain why the cost pool was excluded.

UPS/USPS-T28-46. Confirm that in the electronic version of Library

Reference H-323, column 10 is linked to the file cstbyshp.xls. Please identify which

library reference contains this file. If not provided, please provide.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with section 12 of the Commission's Rules of Practice.

Stephanie Richman
Stephanie Richman

Dated: January 14, 1998
Philadelphia, PA